AMENDED IN SENATE JULY 2, 2008

AMENDED IN SENATE JUNE 19, 2008

AMENDED IN SENATE JUNE 10, 2008

AMENDED IN ASSEMBLY APRIL 23, 2008

AMENDED IN ASSEMBLY APRIL 8, 2008

AMENDED IN ASSEMBLY MARCH 25, 2008

CALIFORNIA LEGISLATURE—2007–08 REGULAR SESSION

ASSEMBLY BILL

No. 2168

Introduced by Assembly Member Jones (Coauthor: Assembly Member La Malfa)

February 20, 2008

An act to amend Sections 47000, 47001, 47002, and 47003 of, to add the heading of Article 1.5 (commencing with Section 47004) to Chapter 10.5 of Division 17 of, and to add Article 5 (commencing with Section 47030) to Chapter 10.5 of Division 17 of, the Food and Agricultural Code, and to amend Sections 113789, 113877, and 113880 of, to add Section 113778.2 to, and to add Chapter 12.5 (commencing with Section 114375) to Part 7 of Division 104 of, the Health and Safety Code, relating to farm stands.

LEGISLATIVE COUNSEL'S DIGEST

AB 2168, as amended, Jones. Farm stands: direct marketing: retail food.

Existing law sets forth various findings and declarations relating to the direct marketing of agricultural products. AB 2168 -2-

This bill would include certain findings with respect to farm stands and would state that it is the intent of the state to promote the consumption of California-grown produce, as specified.

Existing law authorizes the Secretary of Food and Agriculture to adopt regulations to encourage the direct sale by farmers to consumers of all types of California agricultural products, as specified.

This bill would, instead, authorize the adoption of those regulations to encourage the direct sale by farmers to the public of all types of California agricultural products. The bill would also specify that the regulations may include provisions to ensure that selling activities are conducted without fraud, deception, or misrepresentation.

Existing law provides for the direct marketing of agricultural products, including through certified farmers' markets or at a retail stand located at or near the point of production, subject to specified conditions.

This bill would delete language authorizing this direct marketing by retail stands located at or near the point of production, and would instead authorize field retail stands, as defined, and farm stands, as defined, to engage in similar direct marketing, subject to similar conditions. This bill would also establish farm stands, as defined, subject to certain specified requirements, as another form of direct marketing outlet. The products available from, and the restrictions and requirements that apply to, these direct marketing venues would vary, as specified.

Existing law provides that any violation of these provisions is a misdemeanor.

Because this bill would create a new crime, the bill would impose a state-mandated local program.

Existing law, the California Retail Food Code (CRFC), provides for the regulation of health and sanitation standards for retail food facilities by the State Department of Public Health. Existing law defines "food facility," "produce," and "producer" for these purposes. A violation of any provision of the CRFC is a misdemeanor.

This bill would include farm stands, as defined, for purposes of permitting and enforcement, within the definition of "food facility." The bill would require farm stands to meet specified requirements. By creating new crimes, this bill would impose a state-mandated local program.

This bill would also revise the definitions for "produce" and "producer," as provided.

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The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

This bill would incorporate additional changes to Section 113789 of the Health and Safety Code, proposed by SB 1359, to be operative only if both this bill and SB 1359 are enacted and become effective on or before January 1, 2009, each bill amends Section 113789 of the Health and Safety Code, and this bill is enacted after SB 1359.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

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The people of the State of California do enact as follows:

- SECTION 1. Section 47000 of the Food and Agricultural Code is amended to read:
 - 47000. The Legislature finds and declares all of the following with regard to the direct marketing of agricultural products:
 - (a) Direct marketing of agricultural products benefits the agricultural community and the consumer by, among other things, providing an alternative method for growers to sell their products while benefiting the consumer by supplying quality produce at reasonable prices.
 - (b) Direct marketing is a good public relations tool for the agricultural industry that brings the farmer face-to-face with consumers.
 - (c) The marketing potential of a wide variety of California-produced agricultural products should be maximized.
 - (d) Farm stands allow farmers to sell fresh produce and eggs grown on their farm as well as other food products made with ingredients produced on or near the farm, thus enhancing their income and the local economy.
 - (e) The department should maintain a direct marketing program and the industry should continue to encourage the sale of California-grown fresh produce.
- 22 (f) It is the intent of the state to promote the consumption of 23 California-grown produce and to promote access to 24 California-produced agricultural products. Restaurants and

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1 nonprofit organizations can provide assistance in bringing2 California-grown products to all Californians.

- (g) A regulatory scheme should be developed that provides the flexibility that will make direct marketing a viable marketing system.
- (h) The department should assist producers in organizing certified farmers' markets, field retail stands, farms stands, and other forms of direct marketing by providing technical advice on marketing methods and in complying with the regulations that affect direct marketing programs.
- (i) The department is encouraged to establish an ad hoc advisory committee to assist the department in establishing regulations affecting direct marketing of products and to advise the secretary in all matters pertaining to direct marketing.
- SEC. 2. Section 47001 of the Food and Agricultural Code is amended to read:
- 47001. (a) The secretary may adopt regulations to encourage the direct sale by farmers to the public of all types of California agricultural products.
- (b) These regulations may include provisions to ensure and maintain quality and wholesomeness of the products, and to ensure that the selling activities are conducted without fraud, deception, or misrepresentation.
- SEC. 3. Section 47002 of the Food and Agricultural Code is amended to read:
- 47002. California farmers may transport for sale and sell California-grown fresh fruits, nuts, and vegetables that they produce, directly to the public, which produce shall be exempt from size, standard pack, container, and labeling requirements, at a certified farmers' market, as defined in Section 47004, a field retail stand, as defined in Section 47030, or a farm stand, as defined in Section 47050, subject to the following conditions:
- (a) All fresh fruits, nuts, and vegetables sold shall comply with the California Code of Regulations governing maturity and quality.
- (b) No exemption granted by this section supersedes the provisions of federal marketing orders, state marketing orders, or any health and safety laws, regulations, or ordinances.
- (c) All fresh fruits, nuts, and vegetables sold in closed consumer containers shall be labeled with the name, address, and ZIP Code

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of the producer, and a declaration of identity and net quantity of the commodity in the package.

- (d) If a farmer selling produce pursuant to this section implements any exemption to size, standard pack, container, or labeling requirements as provided by this section, those sales may only be conducted as direct sales to the following:
 - (1) Consumers who are end users.
- (2) Individuals, organizations, or entities that subsequently sell the produce directly to end users.
- (3) Individuals, organizations, or entities that distribute the produce directly to end users at no cost to those end users.
- (e) A farmer selling produce under paragraph (2) or (3) of subdivision (d) shall provide the individual, organization, or entity a memorandum that lists the identity of the producer, the address of the producer, and the identity and quantity of the produce purchased. A bill of sale or a container label including this information shall meet the requirements of this subdivision.
- SEC. 4. Section 47003 of the Food and Agricultural Code is amended to read:
- 47003. The secretary may establish qualifications for persons selling products directly to the public whenever the sales involve the use of any exemption granted by this chapter. Certified farmers' markets and other direct marketing outlets and distributors may likewise be subject to qualifications.
- SEC. 5. The heading of Article 1.5 (commencing with Section 47004) is added to Chapter 10.5 of Division 17 of the Food and Agricultural Code, to read:

Article 1.5. Certified Farmers' Markets

SEC. 6. Article 5 (commencing with Section 47030) is added to Chapter 10.5 of Division 17 of the Food and Agricultural Code, to read:

Article 5. Other Direct Marketing Outlets and Distributions

47030. Field retail stands are producer-owned and operated premises located at or near the point of production established in accordance with local ordinances and land use codes.

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47050. Farm stands are field retail stands, as defined in Section 47030, that sell or offer for sale California agricultural products grown or produced by the producer, and also sell or offer for sale nonpotentially hazardous prepackaged food products from an approved source or bottled water or soft drinks. All agricultural products, processed or otherwise, sold at a farm stand shall be consistent in manner and character with the intent of this chapter.

SEC. 7. Section 113778.2 is added to the Health and Safety Code, to read:

113778.2. "Farm stands" are premises, established in accordance with local ordinances and land use codes, defined under and operated pursuant to Chapter 10.5 (commencing with Section 47000) of Division 17 of the Food and Agricultural Code and regulations adopted and enforced pursuant to that chapter, operating within the requirements set forth in Sections 113789 and 114375.

SEC. 8. Section 113789 of the Health and Safety Code is amended to read:

113789. (a) "Food facility" means an operation that stores, prepares, packages, serves, vends, or otherwise provides food for human consumption at the retail level, including, but not limited to, the following:

- (1) An operation where food is consumed on or off the premises, regardless of whether there is a charge for the food.
- (2) Any place used in conjunction with the operations described in this subdivision, including, but not limited to, storage facilities for food-related utensils, equipment, and materials.
- (b) "Food facility" includes permanent and nonpermanent food facilities, including, but not limited to, the following:
- (1) Public and private school cafeterias.
- (2) Restricted food service facilities.
- 31 (3) Licensed health care facilities.
- 32 (4) Commissaries.
- 33 (5) Mobile food facilities.
- 34 (6) Mobile support units.
- 35 (7) Temporary food facilities.
- 36 (8) Vending machines.
- 37 (9) Certified farmers' markets, for purposes of permitting and enforcement pursuant to Section 114370.
- 39 (10) Farm stands, for purposes of permitting and enforcement 40 pursuant to Section 114375.

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- (c) "Food facility" does not include any of the following:
- (1) A cooperative arrangement wherein no permanent facilities are used for storing or handling food.
 - (2) A private home.

- (3) A church, private club, or other nonprofit association that gives or sells food to its members and guests, and not to the general public, at an event that occurs not more than three days in any 90-day period.
- (4) A for-profit entity that gives or sells food at an event that occurs not more than three days in a 90-day period for the benefit of a nonprofit association, if the for-profit entity receives no monetary benefit, other than that resulting from recognition from participating in an event.
- (5) Premises set aside for wine tasting, as that term is used in Section 23356.1 of the Business and Professions Code and in the regulations adopted pursuant to that section, if no food or beverage is offered for sale for onsite consumption.
- (6) Premises operated by a producer, selling or offering for sale only whole produce grown by the producer, or shell eggs, or both, provided the sales are conducted on premises controlled by the producer.
- (7) A commercial food processing plant as defined in Section 111955.
- SEC. 8.5. Section 113789 of the Health and Safety Code is amended to read:
- 113789. (a) "Food facility" means an operation that stores, prepares, packages, serves, vends, or otherwise provides food for human consumption at the retail level, including, but not limited to, the following:
- (1) An operation where food is consumed on or off the premises, regardless of whether there is a charge for the food.
- (2) Any place used in conjunction with the operations described in this subdivision, including, but not limited to, storage facilities for food-related utensils, equipment, and materials.
- (b) "Food facility" includes permanent and nonpermanent food facilities, including, but not limited to, the following:
- (1) Public and private school cafeterias.
 - (2) Restricted food service facilities.
- 39 (3) Licensed health care facilities.
- 40 (4) Commissaries.

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- 1 (5) Mobile food facilities.
- 2 (6) Mobile support units.
- 3 (7) Temporary food facilities.
- 4 (8) Vending machines.

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- 5 (9) Certified farmers' markets, for purposes of permitting and 6 enforcement *pursuant to Section 114370*.
- 7 (10) Farm stands, for purposes of permitting and enforcement pursuant to Section 114375.
 - (c) "Food facility" does not include any of the following:
 - (1) A cooperative arrangement wherein no permanent facilities are used for storing or handling food.
 - (2) A private home.
 - (3) A church, private club, or other nonprofit association that gives or sells food to its members and guests, and not to the general public, at an event that occurs not more than three days in any 90-day period.
 - (4) A for-profit entity that gives or sells food at an event that occurs not more than three days in a 90-day period for the benefit of a nonprofit association, if the for-profit entity receives no monetary benefit, other than that resulting from recognition from participating in an event.
 - (5) Premises set aside for wine tasting, as that term is used in Section 23356.1 of the Business and Professions Code and in the regulations adopted pursuant to that section, if no food or beverage, except for bottles of wine and prepackaged nonpotentially hazardous beverages, is offered for sale for onsite consumption and no food, except for crackers, is served.
 - (6) Premises operated by a producer, selling or offering for sale only whole produce grown by the producer, or shell eggs, or both, provided the sales are conducted on premises controlled by the producer.
- (7) A commercial food processing plant as defined in Section111955.
 - (8) A child day care facility, as defined in Section 1596.750.
 - (9) A community care facility, as defined in Section 1502.
- 36 (10) A residential care facility for the elderly, as defined in Section 1569.2.
- 38 (11) A residential care facility for the chronically ill, which has 39 the same meaning as a residential care facility, as defined in 40 Section 1568.01.

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SEC. 9. Section 113877 of the Health and Safety Code is amended to read:

113877. "Produce" means any whole edible portion of a plant in its raw and natural state.

SEC. 10. Section 113880 of the Health and Safety Code is amended to read:

113880. "Producer" means a person or entity who produces shell eggs or edible plants by practice of the agricultural arts upon land that the person or entity controls.

SEC. 11. Chapter 12.5 (commencing with Section 114375) is added to Part 7 of Division 104 of the Health and Safety Code, to read:

Chapter 12.5. Farm Stands

- 114375. Farm stands shall be in conformity with the definition and provisions of Section 113778.2 and meet all of the following requirements:
- (a) Food preparation is prohibited at farm stands with the exception of food samples which may only occur if conducted in accordance with paragraphs (1) to (8), inclusive, of subdivision (b) of Section 114371.
- (b) Approved toilet and handwashing facilities consistent with Article 4 (commencing with Section 113310) of Chapter 11 of Part 6 shall be available for use by farm stand operators or their employees when food sampling is conducted pursuant to subdivision (a).
 - (c) Food sales from farm stands shall be limited to the following:
- (1) Whole produce and shell eggs as described in paragraph (6) of subdivision (c) of Section 113789.
- (2) Nonpotentially hazardous prepackaged food products from an approved source that were grown or produced in close proximity to the farm stand and in a manner consistent with the intent of Chapter 10.5 (commencing with Section 47000) of Division 17 of the Food and Agricultural Code.
- (3) Any nonpotentially hazardous prepackaged food products, including bottled water and soft drinks, from an approved source that has not been grown or produced in close proximity to the farm stand shall be limited to a 50-square-foot storage and sales area.

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1 (d) No live animals, birds, or fowl shall be kept or allowed 2 within 20 feet of any area where food is stored or held for sale. 3 This subdivision does not apply to guide dogs, signal dogs, or 4 service dogs when used in the manner specified in Section 54.1 5 of the Civil Code.

- (e) All garbage and refuse shall be stored and disposed of in an appropriate manner.
- (f) All prepackaged processed food products shall meet the applicable requirements provided in Section 113980 and be stored in an approved vermin proof area or container when the farm stand facility is closed.
- SEC. 12. Section 8.5 of this bill incorporates amendments to Section 113789 of the Health and Safety Code proposed by both this bill and SB 1359. It shall only become operative if (1) both bills are enacted and become effective on or before January 1, 2009, (2) each bill amends Section 113789 of the Health and Safety Code, and (3) this bill is enacted after SB 1359, in which case Section 8 of this bill shall not become operative.

SEC. 12.

SEC. 13. No reimbursement is required by this act pursuant to Section 6 of Article XIIIB of the California Constitution because the only costs that may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIIIB of the California Constitution.